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Homemakers' Business Facts

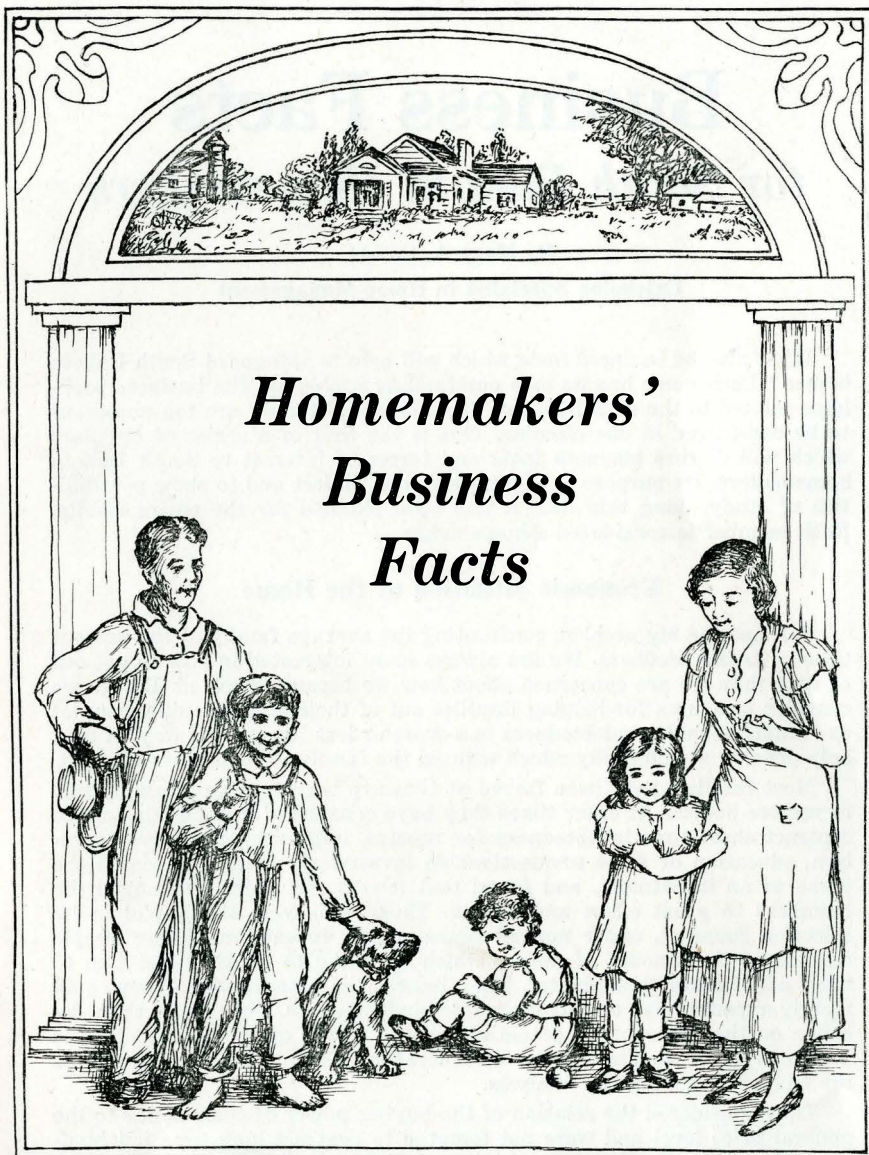
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**Safeguarding South Dakota Homes Program
Protecting Personal Rights and Family Finance**

**SOUTH DAKOTA STATE COLLEGE
EXTENSION SERVICE
Brookings, S. D.**

Business Facts

for South Dakota Homemakers

By Mary A. Covert

Extension Specialist in Home Management

What are the business facts which will help to safeguard South Dakota homes? Each home has its own outstanding problems. The business problems related to the establishment of a home and family are too numerous to be considered in one circular. This is the first of a series of circulars which will discuss business facts and forms of interest to South Dakota homemakers. Its purpose is to introduce the subject and to show possibilities of study along this line. It has been planned for the entire family. Each member is considered a homemaker.

Economic Situation of the Home

Perhaps the big problem confronting the average family at the present time is its indebtedness. We are always more interested in how to get out of debt than we are concerned about how we became involved. Before we consider measures for helping families out of their economic dilemma, let us frankly consider indebtedness in a more or less impersonal way. It may help develop a philosophy which will aid the family in finding its way out.

Most families have been forced at times to borrow money to maintain or restore health. At other times they have considered it good business to contract short time indebtedness for repairs, improvements, farm operation, education or some unquestionable investment. Many considered the home as an investment, and found that it was one which challenged the members to great effort and saving. Those who were thoughtful in its selection found it, under normal times, a safe investment. These people considered the amount of money which they had to invest in relation to their needs other than shelter. They figured the rate at which they could rightly expect to pay off any contracted indebtedness. They based their decision on the present and potential earning power of the family and the productivity of the farm under consideration, using a ten year period as the basis for making the analysis.

They considered the relation of the buying power of their dollar to the general price level and were not tempted to contract long time indebtedness when the price level was high and the purchasing power low. They realized that if prices should drop it would be very difficult to repay such a loan. Experience or the economic history of our country taught them that high price levels always drop eventually and that things bought on a high level may have to be sold on a low level. Factors such as drought and grasshoppers were recognized as beyond personal control and were considered as possibilities when making economic decisions. Thrifty families continued to produce as much as possible of their necessities on the

farm. They saved for emergencies. Through their keen thinking, initiative, and thrift practices many of them were able to maintain their independence through the present crisis.

Some of these thrifty families through misplaced confidence in persons or organizations have lost savings, home and their own independence. They discovered too late that one should not sign a check or a note with any one, or go on any one's bond unless willing to pay the face value of the same, for no matter how good a friend the person may be there is always the possibility that one may have to pay it.

When the price level was high and business good, credit was easy. Many who owned homes were tempted to buy more land at a high price. Others having insufficient capital became home owners contracting an indebtedness which sacrificed health, personal improvement and happiness of the family. During the period of easy credit many were tempted to buy things which careful thinking would have shown to be luxuries for which they would find it impossible to pay.

Many developed the habit of contracting debt and with it the seeming inability to conceive of their indebtedness as a whole. Each new debt was thoughtlessly considered alone in relation to the income instead of collectively with the mass of debts previously contracted. These families were more numerous than we realized. When the present crisis withdrew their credit we found them dependent on parents, friends and the public. During this period many people became careless in their business practices, forgetting that failure to be thoughtful and prompt in meeting obligations destroys credit and eventually one's own self respect.

The economic crisis has made us realize the importance of good business practices in the home. Every family should be interested in helping to restore credit and public confidence. Records should be made of all debts. A note should be given for all large obligations. A copy should be made and carefully kept. The date upon which the interest and principal is due should be posted on the home business calendar so that it is impossible to forget it. Every effort should be made to pay on the dates obligated. If it is impossible to pay promptly good business practice demands that the one to whom the debt is due be told as soon as possible. He may be depending on the money to meet obligations of his own. Whether he is or not this courtesy is due him.

Adjustment of the Economic Situation

The numbers of dependent families in cities, towns and country are so great that the government decided something must be done to hasten the adjustment of the factors involved so that these families can pay their debts and support themselves. Careful study shows maladjustment between the buying power of the farmer and the general price level to be an outstanding factor in the present economic situation. It is believed that the buying power of both the farmer and the laborer must be restored and the general price level raised before conditions will become normal again. In order to accomplish this more speedily two laws have been passed in Congress. The first is called the Agricultural Adjustment Act and the second the National Recovery Act.

Agricultural Adjustment Act.—The purpose of the Agricultural Adjustment Act is to raise the buying power of farm products to a normal

level which is termed price parity. Restoring prices of farm products to parity means raising the prices of farm products to a point where a given quantity will buy the amount which it bought in normal times. The period 1909-14 was agreed upon as a normal period which would be used as a basis in figuring adjustment. During that period 10 bushels of wheat bought 10 pairs of overalls. In 1933 at the time of the passage of the Agricultural Adjustment Act, 10 bushels of wheat would buy only 4 pairs. Restoring the price parity of wheat expressed in terms of overalls would mean raising the price of wheat to the point that 10 bushels would buy 10 pairs.

The policy of the Agricultural Adjustment Act from a short time view point is to curtail production of the most important agricultural products so that the supply will approximately balance with the domestic demand. This appears necessary because of the falling off of foreign trade due to lowered buying power of foreign countries and the present inability of foreign countries to pay off debts. The economic situation is all the more complex because it is world wide. The people and governments of all countries have been economically depressed and perplexed. They have been forced like ourselves to adopt a temporary live at home program. Our government is working on the theory that helping to revive foreign trade as soon as possible will aid in economic recovery here.

National Recovery Act.—The policy of the National Recovery Act is to raise the general price level through increase of employment by regulating working hours, and to increase wage rates by minimum wage regulation and thereby increase general consumption.

Interrelation of These Acts.—It is very important that both the Agricultural Adjustment Act and the N. R. A. be developed simultaneously. A satisfactory situation in agriculture can be expected if prices of farm products increase sufficiently to give the farmer price parity in spite of the general rise in price level brought about by the activities of the N. R. A. The most important thing which the farmer can do to assure success of the whole national adjustment program is to feel his responsibility of helping movements under these two acts to keep abreast. He can do this by speedily giving the Agricultural Adjustment Act and other phases of the adjustment program designed for his benefit, his whole hearted cooperation. If the farmer does not support the Agricultural Adjustment program and thereby should cause it to fail, while the N. R. A. succeeds in its part of the plan, farm life would be in worse condition than it has been the past few years. Things which the farmer buys would continue to advance, while the prices of things which the farmer sells would not advance as rapidly and his buying power would be lowered instead of raised.

Credit Agencies.—The government recognizes that the only way to restore independence for many farm families is through extension of credit and loans. It has provided certain specialized lending agencies for the benefit of such farmers. The oldest one is the federal land bank system. South Dakota farmers desiring first mortgage loans on their farms should write to the Federal Land Bank, Omaha, Nebraska for information. The loans are made on the amortization plan of repayment over a period of about 36 years. Loans placed before May 12, 1935, will cost only 4½ per cent interest until July 12, 1938, to the borrowers who join their local farm loan association and take stock to the amount of 5 per cent of their loan.

No payments need be made on the principal of the loan until July 12, 1938. After that date the interest rate will presumably be 5 per cent and payments must thereafter be made on the principal. Information on second mortgage loans can also be had from the same land bank. These loans run for 13 years, at 5 per cent interest, with no payments required on the principal the first three years. Payments on both kinds of land loans will be made every six months.

The Federal Intermediate Credit Bank, Omaha, Nebraska, makes loans to farmers and to farmers' cooperative associations. A farmer who can furnish first mortgage security in livestock will be eligible to borrow from

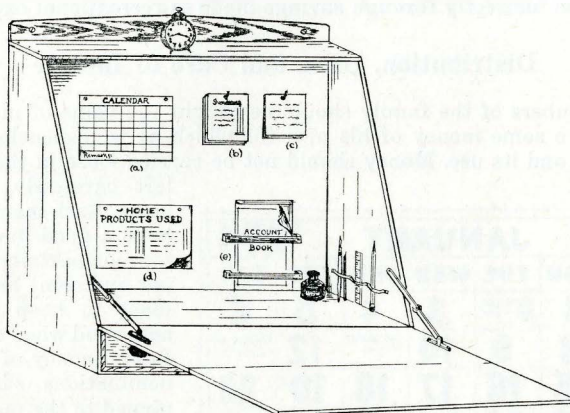


Fig. 1.—The home business center may be a home made wall desk.

the Intermediate for periods up to three years. Such loans may be placed through a local bank, livestock loan company, or through an agricultural credit corporation. The interest rates vary with the condition of the investment market and have been reasonably low recently.

Loans which are considered to be of an emergency type are made by the Regional Agricultural Credit Corporation, Sioux City, Iowa, on chattel mortgage security in livestock, farm equipment, etc. Another office in Minneapolis, the Crop Production Loan Office, has been making government seed and feed loans in areas with crop failure and forage shortage.

General Outlook for Farm Home

Farm people need to take a long and discriminating look at life in their planning for the use of every available dollar. There will be a rise in prices for farm products but farm incomes will continue to be low for a number of years and much of it will have to be used to pay off indebtedness. The farm family will need to continue to produce as much as possible of the necessities. It must learn to find new satisfactions in farm living and to recognize those contributions of the farm which cannot be expressed in dollars and cents but which help so much to extend the income and enrich farm life.

It must not overlook the contribution to the income or living made by each member of the family. It is this recognized sharing which makes the

family farm "home minded." The member who is careful to prevent undue soiling and wear of his clothes, or careful to prevent undue disorder, dirt and wear in the house, should be made to feel that he is making a contribution through saving which is just as real as if he had raised and sold a hog or had worked outside the home and deposited the money in the family's checking or saving account. The same is true of the members who help to keep the dental and doctor expense down below that of the average family by observing the laws of health and helping to make and keep the home a healthful place in which to live. Those who add to the happiness of the family by helping to make the home interesting and beautiful, make a real contribution indirectly through savings made in recreational expenses.

Distribution, Uses, and Care of Income

All members of the family should be taught the value of money. Each should have some money of his own for which he is responsible, both as to its care and its use. Money should not be carried loose in the pocket or

1934 JANUARY 1934						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	INSURANCE DUE \$10.00	3	4	5	6
7	8	9	10	TELEPHONE \$5.00	12	PAYMENT ON WASHER \$5.00
CHURCH PLEDGE \$10.00	15	16	17	18	19	20
21	22	23	JEANS' BIRTHDAY	25	26	BANK NOTE DUE \$50.00
28	29	30	31			
Remarks.						

Fig. 2.—The home business calendar helps to keep the family's credit good.

left carelessly about the home. Each member should have a good purse (separate compartments for paper and coin) and a secure place to keep it both at home and when carrying it. Paper money of larger denominations should be pinned to the purse or otherwise prevented from being lost or given by mistake when the purse is in use. The money rights of each individual member should be respected. Members should avoid asking loans of one another as

much as possible. A member's money should not be used without his knowledge or his consent. When money is loaned within the family, no matter how small the amount, a record should be made of the same and when the amount is large a note should be given with the same security as would be required had the money been borrowed from an "outsider."

One should avoid keeping much money in the home even for a short time. There is always the danger of burglary and fire. A fire and burglar proof safe is too expensive for the average home but rental of a safety box in a bank is an investment that most families can afford. It furnishes a safe place for the keeping of valuables. If a safety box in the bank is used by the entire family the property of each member should be carefully labeled before depositing same in the box and one member should be entrusted with the responsibility of taking care of and using the key. Money, however, should not be hoarded. It should be kept in circulation through intelligent spending and investment.

Home Business

The home may be considered as a business concern—a special type factory, producing not only wheat, corn, hogs, milk and other products for consumption and sale but producing personalities and citizens as well. The farm family should be business minded. No factory would expect to succeed without keeping records of its business, records of what it makes, what was used in the production, the cost of production and operation, a record of the things sold and the amount received for them. The thrifty family makes use of these business principles. The children are taught to make a personal inventory of their possessions, to keep personal accounts and to assist in keeping the general home accounts. An inventory and invoice should be made each year as a check-up on the home assets and for possible use in case of recovery of loss by fire or theft. The inventory and invoice may be combined in one record. The inventory is most helpful when it makes a note of the condition of the articles listed with an estimate of any cost needed for repairs and an estimate of when the article will need replacing. If the inventory also includes the date of purchase or age of the article a definite check can be made upon the durability of the article.

Every commercial firm has a special place for its business records. The thrifty home has a business center conveniently located and equipped with such devices as will make this phase of homemaking both interesting and convenient. The home business center may be a wall desk (such as shown in Fig. 1) made from a convenient sized wooden box or scraps of lumber. It furnishes a place for everything connected with the home business, the

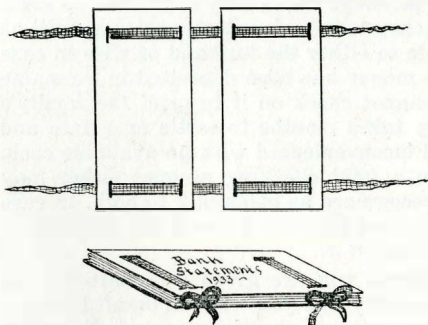


Fig. 3.—A convenient binder for business papers.

general farm and home account book (e), the home business calendar (a) which is shown also in detail (Fig. 2), the card for recording home products used (d), the spindle hook for temporary filing of purchase slips, receipts and weight tickets (b), and the memorandum pad (c). The drawer is conveniently divided to take care of the bank statements, checks, receipts and personal account books. The bank statements are filed in the homemade binder shown in Fig. 3; the checks

are kept in the envelope file shown in Fig. 4. Other uses may be found for this binder and envelope file.

Spending Plan

The thrifty family makes a tentative spending plan based on a study of its needs as shown by the home inventory and past expense records. The expense record shows many things which otherwise might be overlooked. It may show that the family is buying some foods which should be produced at home, or too many foods which are out of season. It may show that Jane has spent all the money available for cosmetics. It may

show how many years Dad has worn his suit and how many suits Bob has had in the meantime. It may show that some of the suits purchased for Bob were of inferior quality, but it may show that Bob has been exceedingly careless in the care of his clothes. It may show that indefinite postponement of certain repairs and replacements forced the family to make a large investment at one time and contract a debt which should not have been necessary. If the spending plan is made in relation to the income record, purchases and repairs may be made more timely. A study of previous expense records show the balance which is being kept between expenditures for necessities and wants. A check on the inventory will help to determine whether things in the "wanted" class have given permanent satisfaction or have been a waste of money. The tentative spending plan should be the cooperative product of the whole family. If the children do not participate in making it they cannot be expected to understand and appreciate the problems involved.

Banking Practices

The Checking Account.—Money that is needed for general operating expenses is often placed in a checking account. As a rule it can be withdrawn at any time, however, some banks require that a stated sum be retained in the checking account at all times. This is partly to protect against possible overdrafts and to compensate the bankers for their service. Some banks make a regular monthly charge for the checking account.

Joint Checking Accounts.—Sometimes the family has a general checking account to be drawn upon by the various members. This may be a convenient arrangement but it is a privilege which may be abused by some members. A sufficient amount of money to care for emergencies as well as general demands should be available to either the husband or wife in case of the death of the other. If all the money has been deposited in the name of the deceased person the other cannot check on it to meet the family's needs after his death. It frequently takes months to settle an estate and the family may be embarrassed and inconvenienced with no available cash. Where husband and wife maintain a joint checking account either may draw upon it because it is legally recognized as belonging to both. In case of the death of one, the other upon proof that he or she is the survivor in the joint account can continue to check on it.

When you start a checking account you are given a signature card. You should write your name on it exactly like you write it on all business papers. The bank files this card. It must know the signature of all depositors since it is responsible for forged checks. When making a deposit, a deposit slip should be filled out stating what is to be deposited (checks, paper money, gold, currency, silver) how much of each and the total amount. It is well to state whether the amount is to be deposited in the checking or savings account. If checks are to be deposited they should be endorsed in the bank at the side desk. Always take your bank book with you when making a deposit. The banker checks the money to be deposited with the deposit slip which you have filled out and records the total amount being deposited in your book and returns the book to you. Before leaving the window look at your book to see that the entry is correct. Should you fail to take your bank book when making a deposit you should fill out two deposit slips. The banker stamps one of them and hands it back to you.

It should be placed in your bank book immediately upon your return home and should be recorded in your book by the banker the next time you go to the bank.

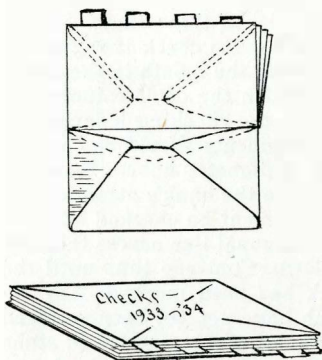


Fig. 4.—An envelope file keeps checks and receipts from getting lost.

Writing Checks.—You should make a personal record of each check written so that you are aware at all times how much money is left in your account. Some check books contain stubs attached to each check. Many find these preferable to those without the attached stub. Most bankers furnish a checking record card made to fit into your bank book upon which to record “desk” or other separate checks. It is well to form the habit of filling out the stub or entering the record on the card before filling out each check. It minimizes mistakes on checks. If left until after the check is written it may be forgotten.

Form the habit of filling out a check in order and thus avoid failure to fill out some part. Use ink and write plainly. Mistakes may be corrected on your stub but corrections should never be made on

a check. If a mistake is made, tear the check up and write another, taking it from the back of the check book. Fill in the space between the person's name and the dollar sign with a heavy line to prevent “or bearer” being written in. Place the number so close to the dollar sign that no one can place another figure before it. Place the fractional part of the dollar so close to number of dollars that another figure cannot be added between them. Do not forget to write 00/100 after an even number of dollars. Begin the written number of dollars at the extreme left margin of the check. Write “and” close against it then the fractional part of the dollar and fill out the remainder of the space with a line. If the amount is less than a dollar write no dollars and the cents stated as a fractional part of a dollar. Always sign your name the same way even to the way of forming letters. Checks made to officials in payment of membership fees or civil obligations such as taxes, etc. should bear the official title as well as the officer's name. If desired, a statement may be written in the left lower corner of the check, showing for what the amount is paid. The check thus becomes a legal receipt.

Endorsing Checks.—A check which has been given you should be presented for payment as soon as possible. It must be endorsed before payment is made to you or before you give it to another person. Do not endorse a check until ready to give it away or exchange it for money, merchandise or service. Anyone can cash an endorsed check should it be lost or stolen. If a check is lost or stolen, notify the bank immediately to stop payment. Go to the bank and sign a stop payment slip describing the check from the record on its corresponding stub. A check is endorsed by writing your name on the back across the upper left end. It should be written just as it appears on the face of the check even if it is incorrectly written there. If incorrectly written the correct signature should be written below it.

When sending a check to the bank to be deposited to your account always preface the endorsement with the words "Deposit to the account of."

Checking the Bank Statement.—Most banks send to its customers a monthly statement together with all checks which have come in during the month. Banks which do not make a general practice of this will do so upon request. It is advisable to obtain the statement and to check it regularly. The statement shows the amounts deposited during the month in the credit column and the amounts of each cancelled check in the debit column and the date of payment of each check. It also shows the checking balance left at the time the statement is made. All bank statements should be checked with the stub record in your check book. Some statements have a foot note which says that any correction must be brought to the bank's attention before a stated date. It is important that the statement be checked at once. Find the stub for each returned check, draw a diagonal line across the stub and lay the check which it represents face down. Continue thus until the corresponding stub for every returned check has been marked. Any remaining filled in stubs belong to checks which have not yet been received by the bank. Set down the amounts of all these remaining unmarked stubs and add. To this sum add the amount which the stub to the last check you have written indicates should be in the bank. If the bank has made a service charge, this should be added, also the two cents federal tax on each check which the bank has charged to your account. This total should be the same as the balance recorded on the statement. If it is not the same, discover the reason. The difference may be due to one or more of the following: Deposits made by mail did not reach the bank before the statement was made; you may have written a desk check or separate checks which had no stubs and forgot later to fill out for it a corresponding stub in your check book or otherwise to make record of the amount, checks which you have deposited may have been returned to the bank because they were not good. In such case the amount of the check is debited to your account. If a check which you have endorsed for a friend has also proven not good, your account may be drawn upon for the amount.

Cancelled checks are legal receipts and should be kept filed for ready reference for several years. It is well to file the bank statement with them for it may help in making or checking your home account record.

Laws Pertaining to South Dakota Homes

South Dakota homemakers should be familiar with the laws of the state pertaining to the home and family. They should become sufficiently law-minded to protect the interest of the home by helping to pass needed laws and by doing what they can to help enforce those which have been made. The laws pertaining to the death of a family member and the settlement of his estate have been selected as the first law unit for family study.

When a Person Dies

Legal death is defined as "cessation of the heart beat and breathing." If the doctor is not present when the person dies, he should be called immediately. The local health officer may be called if for any reason a doctor cannot be obtained. Cause of the death must be officially recorded. If the exact cause of the death is uncertain, the doctor should be consulted concerning an autopsy; any mystery concerning a death might cause worry later. If there is the least suspicion that the death was not caused pathologically but was due to some external cause (self inflicted or foul) the local coroner must be called. He will hold an inquest on the body to determine whether the death was accidental, suicidal or homicidal and will officially report the decision. Permits for shipment of the body, burial or cremation cannot be issued before the death certificate is filled out and filed. The undertaker assumes the responsibility for filling out and filing the death record. He should be called immediately after the death. He obtains official information needed from the doctor, local health officer or coroner who must sign it. The personal and statistical particulars required on the certificate of death may be supplied by any competent person acquainted with the

facts. The person giving this information must sign the certificate and write his address. The statement relating to the disposition of the body must be signed by the funeral director.

The death certificate contains the name, nativity, age, date of death, place of residence of the decedent and if an infant the name and residence of its parents and the length of time the decedent had resided in this state, together with the cause of the death and duration of the fatal illness and any contributing cause that may have any effect in bringing the disease to a fatal issue. The death certificate is presented to the Justice of Peace or Clerk of Courts. If each item has been fully and properly answered he issues a burial or transportation permit. The custodian of the burial grounds cannot permit burials without the burial permit. He cannot permit a body to be removed from the burial grounds without a disinterment permit which must be obtained by a licensed undertaker from the State Board of Health. All preparations of a dead human body for transportation and burial must be made under the directions of a licensed undertaker. A body cannot be transported by a common carrier without a transit permit. A removal permit must be obtained before a body can be moved from one county to another for burial.

Disposition of Deceased Person's Property Where There Is No Will

All debts against an estate must be paid before there can be any distribution of the deceased one's property. All demands (claims) against the estate of the deceased person must be paid in the following order: funeral expenses, expenses of the last illness, expense of administration (probating of estate), any debt which deceased personally owed to servants or employees for service rendered within the 60 days next preceding his or her death, debts having preference by laws of the United States such as taxes, etc. and all other claims. Secured claims are not affected by the above so far as security is concerned.

Homestead Right Reserved for Spouse and Minor Children.—In South Dakota husband and wife are considered absolute independent agents. Neither has an interest in the estate of the other except for support during life of deceased person and homestead (property occupied as residence) after his or her death. By "homestead" is meant the right to continue to live in the home. A husband or wife cannot by will dispossess the other spouse (take away the right to live in the home). Interest in the homestead after the death of the other ceases when he or she ceases to live there unless the homestead has been deeded to the spouse for life; a life time interest in the property is then maintained regardless of whether he or she continues to live there. If it is a country homestead it cannot include more than 160 acres. If it is in the plotted area of a town the homestead cannot exceed one acre. The total value of either cannot exceed \$5,000 over and above encumbrances.

Property Rights Reserved.—In addition to homestead the following property rights are reserved for spouse and minor children: All family pictures, a pew or any other sitting in a place of worship, a lot or lots in any burial ground, family bible and all school books of the family and all other books belonging to the family library not to exceed \$100.00 in value (right to select to value \$100.00), all wearing apparel of the deceased and the family, one year supply of provisions, either provided (on hand) or growing, all household furniture but not exceeding \$150.00 in value (right to select to value of \$150.00), money or selected personal property to amount of \$750.00 (additional to any distributive interest). If the estate is not sufficient to pay expenses of last illness, funeral and cost of administration this \$750.00 is subject to claims for these debts.

Division of Property.—After all debts have been paid and homestead and other legal rights reserved for the spouse and minor children, the property is divided as follows:

1. If a person dies leaving a surviving husband or wife and more than one child living or one child living and the lawful issue of one or more deceased children, the surviving parent receives one-third and the remaining property goes to the children in equal shares and to the lawful issue of any deceased child by right of representation. This applies to all property except exempt property (homestead and reserved property rights previously mentioned).

2. If the deceased person leaves a surviving husband or wife but no children or children's issue and no father or mother or brother or sister the whole estate goes to the remaining husband or wife.

3. Should the deceased person leave no husband or wife, children or children's issue, no father or mother or brother or sister the estate goes to the state for the support of the common schools.

4. If deceased person leaves no children or children's issue but leaves a husband or wife and parents, brothers or sisters the estate is divided as follows: The husband or wife gets selected estate up to \$20,000.00 value plus one-half interest in all over \$20,000.00. The remainder is divided equally between father and mother of the deceased. If either father or mother be dead, that share goes to the other. If father and mother both be dead, that share goes in equal shares to brothers and sisters of the deceased person or their offspring by right of representation.

5. If husband or wife die leaving one child or issue of one child, the surviving spouse receives one-half and the child or its issue receives the remaining half.

6. If a person dies without being survived by husband or wife but leaves descendants the whole estate goes to the children in equal shares or to the issue of deceased children by right of representation.

7. If an unmarried man or woman dies the estate goes to the father and mother in equal shares. If either the mother or father be dead, the estate goes to the survivor. If both the father and mother be dead, the estate goes in equal shares to brothers and sisters or children of any deceased brother or sister by right of representation.

Absent Heirs.—If any person upon whose life any estate in real property depends remains without the United States or absents himself in the state or elsewhere for seven consecutive years, such person must be accounted naturally dead in any action or special proceeding concerning any such property in which his death shall come in question unless sufficient proof be made in such case of the life of such person.

Probating the Estate.—If a person owning property dies without having made a will, his or her property is distributed in accordance with State's law of descent. If the estate is small and consists entirely of personal property (tangible movable property) or money and if debts of the estate are taken care of so that there are no creditors to complain and the heirs are all adults, probating is frequently omitted. As a rule estates are probated whether the deceased left a will or not. The probate (county court procedure) gives legal title of ownership to persons receiving shares in the estate and public record is made of same.

One of the first steps in probating an estate is the appointment of an administrator or executor. Where there is a will the person or persons named in the will administers the estate unless incompetent. Where no will has been made or if person named in the will has been proven incompetent the persons entitled to conduct the administration are in the following order:

Surviving husband, wife, or some competent person named by him or her, the children, the father and mother, brothers, sisters, grand children and next of kin. The judge fixes the amount of the bond required of the administrator. Two times the value of the personal property of the deceased person plus the expected income from the real estate is the basis used for determining the amount of the bond.

Concerning Wills

If a person is not satisfied with the way in which the laws of the state would dispose of his property after his death, he can make a will. The person who makes a will is called the testator. The testator's written provision concerning the distribution of his property is called a will. An autographic will is one entirely written, dated and signed by the testator. It is recognized without being witnessed and no particular form is required. The danger resulting from such a will is that it may not be interpreted or be understood in the sense intended. If contested it would be necessary to prove that it was written and signed by the party indicated. A formal will is one made or declared in the presence of two witnesses present at the same time. The testator at the time of signing must declare to the witnesses that the instrument is his will. He must ask each of the witnesses in the presence of the other to sign the will. Both witnesses must see the testator sign the will and both must see each other sign it. It is advisable that the witnesses write their place of residence when signing.

What the Will Should Contain.—Someone should be named to act as executor. The testator has the privilege of waiving the requirement of bond for the executor. If he wishes to exempt the executor from giving bond, he must make statement to that effect in the will. If any money has been given or loaned to an heir during the testator's life time there should be a statement concerning it in the will, clearly indicating to whom it was given and whether it is to be considered as a gift or a loan in the probate of the estate. The will usually contains a statement concerning the payment of debts and funeral expenses, etc. but this is not essential since the law so provides. The chief purpose of the will is the distribution of the testator's property. It should contain a simple clear statement concerning the distribution of his property both as to manner and amount. The will must be dated and signed by the testator. It should be written with ink or typed, placed in an envelope and sealed. It is advisable to consult an attorney concerning the making of the will and let him put into form your desires concerning the distribution of your property. He uses expressions and words which have been frequently considered by the court so that their meanings have become exact and there is less danger of the will not expressing what was intended.

Where Will Should Be Kept.—The testator should inform someone that the will has been made. It should be kept in a safe place where it can be found after the person's death. It is often left with the attorney who helped to write it. The law provides that wills may be left with the clerk of court. A fee of sixty cents is charged for this service.

When the Will Is Read.—The will is usually opened and read soon after the death of the testator. It is advisable that the envelope containing the will be opened publicly, if possible in the presence of the entire family and that it be examined by them individually.

Probating the Will.—is the term applied to the procedure in county court whereby an estate is administered under the directions of the court. It usually takes six to seven months to probate a will if there are no complications. It is advisable to consult an attorney concerning probate of the will. The procedure is too detailed to be given here.

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